

Uniroyal set to strengthen its position

The rubber and plastics industry, hurt by strikes, high interest costs, and inflation during 1970, will start the new year in a strong position to capitalize on any rebound in the economy, George R. Vila, chairman and president of Uniroyal, Inc. said today.

Vila made the following forecasts for 1971:

—Sales of rubber and plastics will increase to about \$18.5 billion, up from \$17.5 billion in 1970. Sales should set a new record.

—Passenger tire sales, both for new cars and replacement use, should reach a record 190 million units in 1971. This is a gain of 12.4 per cent compared with 1970's 169 million units, a figure depressed by strikes in the automotive and rubber industries and the general softness in the economy.

—Truck and bus tire sales should rise to 27.8 million units, an increase of 10.3 per cent compared with 25.2 million units in 1970.

—Use of plastics in automobiles should total about 110 pounds per car next year compared with 100 pounds in 1970. The automotive industry is expected to use nearly one billion pounds of plastics for the first time in 1971.

—New housing starts should rise to 1.6 million units in 1971, a gain of 14.3 per cent compared with the 1.4 million units in 1970.

—Free world consumption of rubber is expected to total 7.1 million long tons in 1971, up 7.6 per cent from the 6.6 million tons consumed in 1970. Domestic consumption will reach 2.8 million tons, against 2.4 million tons in 1970.

—Synthetic rubber will represent about 68.3 per cent of free world consumption or 4.85 million long tons, compared with 66.7 per cent or 4.40 million long tons in 1970.

—International sales of rubber and plastics products are growing more rapidly than those in the domestic market. The trend is expected to continue in 1971. Radial tires in Europe are typical of such growth. Radial ply passenger car tires have, in a comparatively short time, captured more than 60 per cent of the European passenger car tire market and this share of market should continue to increase.